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PP RUEHWEB

DE RUEHC #0848 1382043
ZNR UUUUU ZZH
P 182030Z MAY 09
FM SECSTATE WASHDC
TO RUEHSI/AMEMBASSY TBILISI PRIORITY 0000
INFO RUEHGT/AMEMBASSY GUATEMALA PRIORITY 0000
RUETIAA/DIRNSA FT GEORGE G MEADE MD 0000
RUEAIIA/CIA WASHINGTON DC 0000
RHMCSSU/FBI WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC
RUCPDOC/USDOC WASHINGTON DC 0000

UNCLAS STATE 050848

SENSITIVE
SIPDIS
TBILISI FOR NICOLE O'BRIEN
GUATEMALA FOR ELIZABETH MANGINI

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [GG](#) [GT](#)
SUBJECT: BLUE LANTERN LEVEL 1: POST-SHIPMENT END-USE CHECK
ON LICENSES 050051029 AND 050050791

REF: A. 07 TBILISI 1725
[1B.](#) EMAIL BALLARD-O'BRIEN

[11.](#) (U) This is an Action Request. See paragraphs 2 - 4.

[12.](#) (U) The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a post-shipment check on licenses 050051029 and 050050791 for the export of firearms to Georgia. Post is requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

[13.](#) (SBU) Reason for Request: Previous Blue Lantern check sought explanation as to why the Georgian Ministry of Defense (GMOD) needed the 13,000 AR-15 type rifles ordered in license 050051029. GMOD stated that it was preparing for deployment in support of Operation Iraqi Freedom and expressed its desire to arm "like a democracy" (REFTEL A).

According to eTrace data from the U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives (BATF), at least two AR-15 type rifles exported to GMOD on license 050051029 are now in the possession of private citizens in Guatemala. The firearms have been in Guatemala since at least July 2008. Post should inform officials from the Government of Georgia (GOG) of this diversion, attempt to elicit an explanation as to how these firearms were re-exported to Guatemala, and, to the extent possible, account for the firearms exports listed in para 5.

[14.](#) (SBU) Action Request: Post is requested to inform appropriate officials from GOG that at least two AR-15 type rifles exported to GMOD on license 050051029 are now in the possession of private citizens in Guatemala. The unauthorized re-export or retransfer of United States Munitions List (USML) items is a violation of the International Traffic in Arms Regulations (ITAR). Post is also requested to seek explanation as to how these firearms were retransferred and re-exported. In addition, Post should request that GMOD account for all the firearms listed below (NOTE: Serial numbers will be provided via REFTEL B). The following points are included for guidance:

(TO OFFICIALS OF GOG)

--The U.S. Office of Defense Trade Controls (PM/DTCC) has information indicating that at least two AR-15 type rifles exported to the Georgian Ministry of Defense are now in the possession of private citizens in Guatemala. These rifles were exported to GMOD on U.S. export license 050051029 under GOG Contract Number 814 dated 6 April 2007 but have been in

Guatemala since at least July 2008.

--Retransfer and re-export of any U.S. Munitions List (USML) defense articles requires USG permission pursuant to obligations set forth in part 123.9 of the ITAR (Note: the ITAR is available at www.pmddtc.state.gov/regulations_laws/itar_official.html). GOG acknowledged USG restrictions on retransfer and re-export for these rifles, as evidenced by the signing of a DSP-83 Nontransfer and Use Certificate by Head of State Procurement Department Alexandre Ninua on 6 April 2007.

--Did GMOD receive all 13,000 AR-15 type rifles exported under license 050051029? Can you provide documentation demonstrating receipt of the rifles?

--Did GOG authorize the retransfer and re-export of these rifles? If so, what parties were involved in the re-export? Who are the Guatemalan end-users? Please provide all available information regarding the retransfer and re-export of these rifles, whether authorized or otherwise.

--Did GMOD receive all twenty .50 caliber M82A1 Barrett rifles exported under U.S. license 050050791 pursuant to GOG Contract 542? Please provide any documentation that demonstrates the receipt of these 20 rifles and explain any discrepancy.

--Does GMOD maintain sufficient records that allow a thorough inventory of rifles in its stock? Please account for the current location of the 13,000 AR-15 type rifles and the 20 Barrett rifles. (NOTE: Serial numbers provided via REFTEL B).

In its reply, Post is encouraged to comment on any information pertinent to this transaction such as security of facilities, GMOD inventory controls of defense articles, end-use, and concerns about the entities involved.

15. (U) Details of license applications:

1A. DTC Case: 050051029

QUANTITY/COMMODITY:

13,000 Bushmaster M16 / M4 .223 cal automatic rifles, with 2 magazines, sling, and cleaning kit.

License Value: USD 10,855,000.00

SELLER:

The GunSearch.com LLC / Heavy Metal Armory
4235 14th Street West
Bradenton, FL 34205

FOREIGN END-USER:

Ministry of Defense
General G. Kvintadze Street #20 0112
Tbilisi
Georgia

PURPOSE:

Equipment purchase for use by the Ministry of Defense, Georgia for use in assisting the US war effort in Operation Iraqi Freedom. This Equipment will be for use by the Ministry of Defense for training troops for deployment to Iraq and support troops with that effort in Iraq.

1B. DTC Case: 050050791

QUANTITY/COMMODITY:

20 M82A1M .50 cal semi-auto rifles with 2 magazines, cleaning kit, Leupold scope system, and operations manual.

40,000 M33 ball .50 caliber ammunition

License Value: USD 456,000.00

SELLER:

Barrett Firearms Mfg., Inc.
5926 Miller Lane
Christiana, TN 37037

FOREIGN CONSIGNEE:

Paz Logistics
20 Hata'as St.
Beit Hapaamon, Suite 214
Kfar-Saba
Israel

FOREIGN END-USER:

Ministry of Defense
20 General G. Kvintadze Street IC 204900483
0012, Tbilisi
Georgia

PURPOSE:

For "Guarding Use" in the Republic of Georgia.

¶6. (U) Submitted in support of the license application were the following documents (PM/DTCC will fax documentation to Posts upon request):

¶A. DTC Case: 050051029

--State procurement contracts 814 dated 6 April 2007, signed by Alexandre Ninua, Head of State Procurement Department, Georgia, and Andrew Bigelow, Heavy Metal Armory.

--DSP-83 Nontransfer and Use Certificate, dated 6 April 2007, signed by Alexandre Ninua, Head of State Procurement Department, Georgia, and Andrew Bigelow, Heavy Metal Armory.

--Correspondence letter (document number 10/1628) in place of Import certificate, signed by Alexandre Ninua, dated 6 April 2007.

¶B. DTC Case: 050050791

--State Procurement contract 542, dated 27 April 2007, signed by Zaza Guntsadze, Head of State procurement, MOD, and Motti Sheps of Paz Logistics.

--Two DSP-83 Nontransfer and Use Certificates signed by Mary Scott Smith (Barrett Firearms) dated 6 June 2007, Anat Paz-Zarmi (M. Paz Logistics) dated 1 April 2007, L. Nikoleishvili (Deputy Minister) dated 4 May 2007, and Zaza Guntsadze (Head of State Procurement) dated 4 May 2007.

--Letter of explanation from Barrett Firearms stating that an import license is not required for Israel or Georgia in this transaction, dated 6 June 2007.

¶7. (U) Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Kyle M. Ballard, Phone: 202-663-1929; Email: BallardKM@state.gov; SIPRNET: BallardKM@state.gov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's E-Book Collection on the DOS Intranet:
<http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520final.pdf>

¶8. (U) Department is grateful for Post's assistance in this matter.

CLINTON